

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

NICARAGUA

STRENGTHENING THE NATIONAL STATISTICS SYSTEM AND NATIONAL POPULATION AND HOUSING CENSUS 2005

(NI-0180)

LOAN PROPOSAL

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BASIC SOCIOECONOMIC DATA

For basic socioeconomic data, including public debt information, please refer to the following address:

<http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata>

INFORMATION AVAILABLE IN THE RE2/SC2 TECHNICAL FILES

Preparation:

Procurement plan

Complete reform of the Law Creating the National Statistics System and the National Statistics and Census Institute

Execution:

Draft Plan of Operations

Detailed description of the operation execution mechanisms

Significance of ethnic groups in the production of statistics in Nicaragua

ABBREVIATIONS

CELADE	Latin American and Caribbean Demographic Centre
CESI	Committee on Environment and Social Impact
CS	The Bank's country strategy
DFID	UK Government Department for International Development
ECLAC	UN Economic Commission for Latin America and the Caribbean
ERCERP	Estrategia Reforzada de Crecimiento Económico y de Reducción de la Pobreza [Enhanced Economic Growth and Poverty Reduction Strategy]
EU	Census Executing Unit
FSO	Fund for Special Operations
GNI	Government of Nicaragua
INEC	Instituto Nacional de Estadística y Censo [National Statistics and Census Institute]
MECOVI	Program for the Improvement of Surveys and the Measurement of Living Conditions in Latin America and the Caribbean
NDP	National Development Plan
NSS	National Statistics System
PPMR	Project Performance Monitoring Report
PRS	Poverty reduction strategy
SIDA	Swedish International Development Cooperation Agency
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
USAID	US Agency for International Development
USCENSUS	U.S. Bureau of the Census



Inter-American Development Bank
Regional Operations Support Office
Operational Information Unit

Nicaragua

Tentative Lending Program

2003

Project Number	Project Name	IDB US\$ Millions	Status
NI0167	Multisectoral Global Program	30.0	APPROVED
NI0172	Modernization of the State and Fiscal Reform	25.0	APPROVED
NI0182	Improvement of Plant, Animal and Forest Health Services	7.3	APPROVED
Total - A : 3 Projects		62.3	
TOTAL 2003 : 3 Projects		62.3	

2004

Project Number	Project Name	IDB US\$ Millions	Status
NI0171	Basic Education for the Young and the Adults	10.0	
NI0170	PPP Road Program for Competitiveness	40.0	
NI0180	VIII population and IV housing census	10.0	
NI0181	Institutional Support to the Coordination and Strategy Secretariat	6.0	
NI0168	Citizenship Security Prog.	7.0	
NI0183	Social Reform Program II	15.0	
*NI1002	Enitel Investment Program	34.8	
NI0113	Multiphase Program Secondary Roads	40.0	
Total - A : 8 Projects		162.8	
NI1001	Health Program II	30.0	
Total - B : 1 Projects		30.0	
TOTAL - 2004 : 9 Projects		192.8	
Total Private Sector 2003 - 2004		34.8	
Total Regular Program 2003 - 2004		220.3	

* Private Sector Project



NICARAGUA

IDB LOANS

APPROVED AS OF NOVEMBER 1, 2003

	US\$Thousand	Percent
TOTAL APPROVED	2,070,925	
DISBURSED	1,607,406	77.61 %
UNDISBURSED BALANCE	463,519	22.38 %
CANCELATIONS	41,909	2.02 %
PRINCIPAL COLLECTED	340,192	16.42 %
APPROVED BY FUND		
ORDINARY CAPITAL	272,172	13.14 %
FUND FOR SPECIAL OPERATIONS	1,727,887	83.43 %
OTHER FUNDS	70,866	3.42 %
OUTSTANDING DEBT BALANCE	1,267,214	
ORDINARY CAPITAL	146,112	11.53 %
FUND FOR SPECIAL OPERATIONS	1,116,887	88.13 %
OTHER FUNDS	4,215	0.33 %
APPROVED BY SECTOR		
AGRICULTURE AND FISHERY	374,270	18.07 %
INDUSTRY, TOURISM, SCIENCE AND TECHNOLOGY	104,275	5.03 %
ENERGY	211,233	10.19 %
TRANSPORTATION AND COMMUNICATIONS	271,432	13.10 %
EDUCATION	22,397	1.08 %
HEALTH AND SANITATION	178,478	8.61 %
ENVIRONMENT	65,304	3.15 %
URBAN DEVELOPMENT	57,014	2.75 %
SOCIAL INVESTMENT AND MICROENTERPRISE	288,514	13.93 %
REFORM AND PUBLIC SECTOR MODERNIZATION	466,706	22.53 %
EXPORT FINANCING	1,826	0.08 %
PREINVESTMENT AND OTHER	29,476	1.42 %

* Net of cancellations with monetary adjustments and export financing loan collections.



NICARAGUA

STATUS OF LOANS IN EXECUTION AS OF NOVEMBER 1, 2003

(Amount in US\$ thousands)

APPROVAL PERIOD	NUMBER OF PROYECTS	AMOUNT APPROVED*	AMOUNT DISBURSED	% DISBURSED
<u>REGULAR PROGRAM</u>				
Before 1998	2	55,000	45,076	81.96 %
1998 - 1999	8	188,175	117,773	62.59 %
2000 - 2001	17	306,705	78,641	25.64 %
2002 - 2003	7	172,900	25,181	14.56 %
TOTAL	34	\$722,780	\$266,671	36.90 %

* Net of cancellations. Excludes export financing loans.

STRENGTHENING THE NATIONAL STATISTICS SYSTEM AND NATIONAL POPULATION AND HOUSING CENSUS 2005

(NI-0180)

EXECUTIVE SUMMARY

Borrower:	Republic of Nicaragua	
Executing agency:	Instituto Nacional de Estadística y Censo [National Statistics and Census Institute] (INEC)	
Amount and source:	IDB: (FSO)	US\$ 6,550,000
	Cofinancing:	US\$ 6,744,000
	Local:	US\$ 1,000,000
	Total:	US\$14,294,000
Financial terms and conditions:	Amortization period:	40 years
	Grace period:	10 years
	Disbursement period:	42 months
	Interest rate:	1% for 10 years; 2% thereafter
	Inspection and supervision:	1%
	Credit fee:	0.5%
	Currency:	U.S. dollar
Objectives:	<p>The program's general objective is to help improve the design, execution, and evaluation of economic and social development programs in Nicaragua.</p> <p>The program's specific objectives are: (i) to support INEC's administrative and institutional capacity-building process through a two-week training program for the institution's technical staff, and household surveys; (ii) to finance the census data processing and analysis costs; and (iii) to finance a social communications program urging citizens—especially ethnic groups and afro-descendent population groups—and civil society to participate in the census taking process, in order to instill a statistics culture in Nicaragua.</p>	
Description:	<p>The proposed program comprises several components grouping the activities necessary for (a) institutional strengthening of the National Statistics and Census Institute; (b) pre-census selection and training of field personnel, and updating of the census mapping; (c) the census enumeration itself including, among other things, the use of guides</p>	

and translators for the various ethnic groups and racial minorities, and training rural and urban municipal and district chiefs, and census takers; and (d) a social communications campaign to raise awareness and train different sectors in the country, especially the ethnic minorities and persons of African descent, in order to collect, analyze, disseminate, and publish reliable statistics on the situation of traditionally excluded groups and individuals.

With respect to cofinancing, the Project Team has confirmed that coordination with other donors has resulted in commitments to date from the following sources: Japan (US\$2.85 million); UNDP, UNFPA, DFID, and the World Bank, (US\$500,000) each; SIDA (US\$600,000), and Canada (US\$1 million), totaling US\$6.4 million.

**The Bank's
country and
sector strategy:**

In February 2003, the Board of Executive Directors approved the Country Strategy with Nicaragua (GN-2230), most recently updated in May 2003. The objective of the Bank's country strategy (CS) is to support the government of Nicaragua in its efforts to develop, finance, and execute programs directed at achieving the goals of the Enhanced Economic Growth and Poverty Reduction Strategy (ERCERP) and the National Development Plan (NDP).

The present program aims to decrease INEC institutional weaknesses so that it may fulfill its role as National Statistics System (NSS) lead agency, supporting the State modernization process, providing critical information for the public and private sectors, helping develop and monitor social programs, all of which will help improve the quality of State decisions relating to the impact of public resources.

**Coordination
with other
Official
Development
Institutions:**

This project was coordinated with the international community. During the project preparation phase, support was received from the United Kingdom Government Department for International Development (DFID), the Swedish International Development Cooperation Agency (SIDA), the UNDP, UNFPA, the World Bank, the Embassy of Canada, and the Embassy of Japan [See Chapter I, section B].

**Environmental
and social
review:**

The program was reviewed by the Committee on Environment and Social Impact (CESI) on 25 July 2003. No negative environmental or social impacts are anticipated. Moreover, the census data collected and processed should make it possible to better identify the areas of poverty and localities with the highest demand or need for public services of all kinds.

Benefits:

The program's benefits are varied since the census data will be used for different purposes, by both public and private institutions as well as domestic and international ones. The Nicaraguan population in

general will also benefit, since the data and information necessary to formulate and implement development policies, strategies, plans, and programs will be available. For smaller geographic units such as municipalities, municipal districts, and others, the census is practically the only source of statistical research, inasmuch as surveys are not statistically representative at those levels and administrative records refer only to the supply of services in the areas of health, education, etc.

Risks:

One important risk has to do with strict compliance with the schedule of activities. To counter this risk, resources must be available in a timely manner to avoid delays in carrying out activities. The Government of Nicaragua (GNI) issued Decree No. 58-2003 declaring the census of national interest, and included the program counterpart funds in the national budget. Another important risk is the possibility that the departmental and district level supervision capacity may be insufficient. However, the program provides for hiring supervisors and instructors while also training chiefs of the urban and rural enumeration groups. Moreover, INEC will be responsible for the technical quality of the census. Accordingly, it will sign an agreement with the US Bureau of the Census (USCENSUS) to establish a quality control monitoring mechanism for the census and for the technical staff in charge of preparing, coordinating, and implementing the Pilot Census and the Census 2005 enumeration. Lastly, with regard to the risk of absenteeism, the operation provides for a social communications campaign especially targeting excluded groups, particularly ethnic and afro-descendent population groups. Likewise, and for the same reason, the geographic reference for assigning census personnel will be the area in which the individual resides and not the education center in which he/she studies or works. This measure will reduce the risk of absenteeism and will streamline control and logistics, using the pilot census for verification.

Special contractual conditions:

As a condition precedent to the first disbursement of the loan, evidence must be submitted, to the Bank's satisfaction, that: (a) the borrower and the executing agency have signed an execution agreement establishing, inter alia, the obligations of the parties vis-à-vis program execution, the terms and conditions on which the resources of the financing will be transferred, and the nonreimbursable nature of the loan [paragraph 32]; and (b) the borrower, through the executing agency, has signed an agreement with USCENSUS to conduct training and development workshops, and to establish a quality control monitoring mechanism for the census and for the technical staff in charge of preparing, coordinating, and implementing the Pilot Census and the Census 2005 enumeration.

The contract will provide that prior to its signature, the executing agency and the Bank agreed upon the regulations that will be used to contract the necessary support services for Census 2005.

Poverty-targeting and social sector classification:

This operation does not qualify as a social equity enhancing project, nor as a poverty-targeted investment, as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704) [See paragraph 4.7].

Exceptions to Bank policy:

The direct contracting of USCENSUS to conduct the training and development workshops for the technical staff in charge of preparing, coordinating, and implementing the Pilot Census and the 2005 Census enumeration, and to establish a census quality control monitoring mechanism.

Procurement:

The procurement of equipment will be financed with funds from the Government of Japan and from other donors. Given the nature of the program, which will require large-scale contracting of nonspecialized support services of all kinds that do not qualify as consulting services and involve modest unit costs, an expeditious selection and contracting system is being proposed to take these needs into account while ensuring that basic principles of competition and transparency in Bank-funded contracting are observed. The proposed mechanism includes the following features: (i) a widely publicized call for candidates for all support-services contracts, indicating the following: (a) conditions that applicants must meet (selection criteria, wages, method of payment, and period of employment); and (b) the simple model contract that will be used for services contracting; and (ii) a generic job description for each of the categories of services eligible for use of this procedure.

To expedite program execution and facilitate the tasks of Country Office supervision, it is recommended that an ex post evaluation be conducted to verify the above requirements that are part of the regulations agreed upon with the Bank have been fulfilled.

I. REFERENCE FRAMEWORK

A. Problem areas of the statistics system

1. National Statistics System and National Statistics and Census Institute

- 1.1 Nicaragua is endeavoring to obtain current, reliable, and timely census statistics. Attaining this objective will enable the country to deal effectively with the challenges of adopting public policies that address high impact social problems, among others, and evaluate the scope and progress made towards attaining the millennium social goals, such as reducing child and maternal mortality and extreme poverty by one half, areas of high priority for the Government of Nicaragua (GNI).
- 1.2 Although abundant statistical data is produced, the National Statistics System (NSS) points to a growing gap between information supply and demand, especially for some of its key products. This has a negative impact on national debate and decision-making on social and economic policies, as well as their implementation and monitoring, as they are not always rooted in systematically updated and timely data.
- 1.3 This situation may be attributed to the following causes. One, in the past ten years, the GNI has contended with a number of economic problems and fiscal constraints, significantly reducing financial resources. This translated into reductions at the data providing institutions, especially the INEC. Two, the statistics system is in a state of disarray as there are no formal and effective coordination mechanisms among data providers and stakeholders (public sector, private sector, and civil society statistics users), to achieve a virtuous cycle of design, collection, production, and analysis. Three, in the absence of a strong statistics culture, statistics is not viewed as a public good and fundamental decision-making tool and alternate means of funding for data production have therefore not developed. Four, there is greater demand for data due to: (i) the fiscal system reform; (ii) the incipient or scarce use of resources; (iii) the incorporation of targeting strategies into social programs; and (iv) the intrinsic requirements of a free market economy.
- 1.4 To address these problems, INEC used its own resources to develop a diagnostic and an intercensus Statistics Production Program. At the same time, it submitted to the Executive Branch a bill to amend the legal framework and strengthen the National Statistics System, so as to finalize the Institutional Strategic Plan in the first quarter of 2004. In addition, INEC is presently working on amendments to the law establishing the National Statistics System and INEC.
- 1.5 The country faces a significant temporary increase in INEC expenditures as it prepares for the next National Population and Housing Census. This explains the request for financing submitted to the Bank by the GNI. Additionally, the government believes a program is needed to strengthen the INEC, enabling it to satisfy new national requirements, finance the standardization of surveys

underlying the socio-demographic statistics subsystem in the intercensus period, and to meet the growing demand for information used to formulate social policies.

- 1.6 In this context, the program if it is financed will bolster Nicaragua's efforts to improve the living conditions of its population. The Executive Branch's chief thrust is to fight poverty through social and natural disaster prevention policies based on accurate, timely and reliable population and housing data, key requirements for sound decision-making. Furthermore, data are required to set objectives, design action plans, target interventions, identify and develop projects, formulate natural disaster prevention programs and, lastly, monitor and evaluate outcomes and impacts.
- 1.7 There is an evident need for capacity building in Nicaragua to produce, organize, disseminate and use statistical data. Availability and access to this type of information is hampered mainly by the need for improvements in: (i) technical skills among human resources in methodologies for producing surveys, and data processing and analysis techniques; (ii) the present data processing infrastructure; (iii) operational methods and procedures; (iv) the updating and harmonizing of concepts used; (v) mechanisms for a wide and timely data flow to entities and users; and (vi) increased interaction with users to determine the country's real data requirements.

2. National Population and Housing Census

- 1.8 Since its inception, the INEC has been tasked with conducting censuses in Nicaragua. The first time the Bank financed a census was in 1994, under a technical-cooperation program (TC-94-10-11-9) to support the country's Seventh Population Census and Third Housing Census. The census was conducted in April 1995, meeting all data collection, processing, analysis and publication goals satisfactorily, and the national and departmental results were published in early 1996.
- 1.9 A census is the largest statistical operation in any country. It is the primary source of basic population statistics used to develop a country's social and economic plans. A census consists in collecting, compiling, verifying, organizing, and publishing

demographic, economic, and social data for each of the country's inhabitants at a given point in time.¹

- 1.10 Throughout all of its phases, a census requires great awareness and full participation by a population, and its private and public institutions and authorities. It is necessary to estimate the number of personnel required and then to recruit, train, and subsequently evaluate them, so that trained field staff is ready in time to conduct the census, equipped with good quality maps and instructions for guidance in the field and desk work.
- 1.11 The census form pays special attention to the women and youth, incorporating specific information on women aged 12 and older, the various ethnic groups and their languages, the disabled, and environmental conditions. For the first time in Nicaragua, the census will provide an X-ray of the country's ethnic groups.

B. Coordination with other donors in the country

- 1.12 To put resources to the best use and avoid duplicating efforts, the scope of the project and its participants were coordinated with several donor agencies actively involved in census taking, institution-building, and promoting greater participation by ethnic groups and persons of African descent in Nicaragua. This project has the support of the UK Government Department for International Development (DFID), the Swedish International Development Cooperation Agency (SIDA), the UNDP, UNFPA, the World Bank, the Embassy of Canada, and the Embassy of Japan, through parallel funding for project activities.

C. Country strategy for the National Statistics System

- 1.13 Under the Enhanced Economic Growth and Poverty Reduction Strategy (ERCERP) and the National Development Plan (NDP), the government wants to strengthen INEC's institutional capacity. This move is a positive step towards launching the NSS modernization process, and building strong coordination capacity at INEC so it may lead the modernization process while conducting the National Population and Housing Census.

¹ The main features of a population and housing census are: (i) **universal coverage**, encompassing the entire country and all the population present at the time of the census, in private or collective housing, as well as itinerants and nomadic people; (ii) **individual enumeration**, recording information on each individual, providing for multiple entry classifications such as age, literacy, occupation, among others, while maintaining confidentiality. This means that information is collected from each individual but only the characteristics are processed, without identifying the person; (iii) **simultaneity**, the census is taken throughout the country on the same day or in the shortest possible time to avoid duplications or omissions, especially among people whose activity leads them to move around within or outside the territory; and (iv) **defined periodicity**, the census is conducted at regular intervals, preferably every ten years, to update information and follow population trends and characteristics in order to evaluate the impact of development programs and to project future trends.

- 1.14 Given prevailing budgetary demands and institutional conditions, the strategy adopted by the government to enhance INEC focuses on: (i) improving selected products to produce an exponential effect on the entire system; (ii) building INEC's capacity to cope with new NSS demands; and (iii) incorporating diagnostic assessment of the current system into the program.

D. The Bank's strategy, experience, and lessons learned

1. The Bank's strategy

- 1.15 In February 2003, the Board of Executive Directors approved the Country Strategy with Nicaragua (GN-2230), most recently updated in May 2003. The objective of this strategy (CS) is to support the GNI in its efforts to formulate, finance, and execute programs intended to attain the goals of the Enhanced Economic Growth and Poverty Reduction Strategy (ERCERP). The actions included in the Bank's operations program target the three areas accorded highest priority by the Bank together with the national authorities: economic growth, governance, and productivity among the most vulnerable groups.
- 1.16 This program advances the Bank's strategy as it supports the population and housing census and INEC institution-building to ensure availability of the critical data needed to implement and monitor the poverty reduction strategy, develop human capital, and oversee social programs, key to improving the quality of government decision-making regarding the impact of public resources.

2. The Bank's experience and lessons learned

- 1.17 The Bank has had some recent experiences with population and housing census in other countries of the region. It has also provided technical support for data processing, creating micro databases, developing digital mapping and a geographic information system, through the BID/CELADE regional technical-cooperation program (ATN/TF-4098-RG and ATN/TF-5827-RG). This program also helped Paraguay, Peru, Bolivia, Ecuador, Honduras, and Guatemala process and analyze census data. The outcome of such cooperation was seen as highly positive, especially because of the timeliness and relevance of census data and studies, and the cooperation achieved in countries and programs considered of top priority for the Bank. These efforts bear witness to our institution's leadership to help establish a reliable statistical data system on which to base economic and social development, and poverty reduction strategies.
- 1.18 The Bank's experience further confirms what countries in the region and elsewhere in the world have already learned when preparing and carrying out censuses: (a) countries need complete, reliable, periodically updated information on social and demographic indicators to guide the policy decision-making process, to allocate resources among the central, departmental, and municipal governments, and to

define electoral districts and their representation; (b) according to CELADE, the average per capita cost of a census in the region is approximately US\$2, although two large countries reported per capita costs of US\$4 and US\$5, respectively, for their most recent censuses. The per capita cost in Nicaragua should be close to US\$2, meaning that the 2005 Census cost is within reasonable limits, with efficiency measurable through the pilot census; and (c) when inappropriate or poorly conceived census methods were used, the final results showed significant distortions, sometimes resulting in underestimating or omitting vulnerable groups, causing them to be excluded from public resource allocations.

- 1.19 The Bank has considerable experience in institutional reform programs, particularly to support census planning, such as the recently approved technical-cooperation loans for Bolivia (BO-0189), Ecuador (EC-0197), Guatemala (GU-0170), Honduras (HO-0206), Paraguay (PR-0130), and Surinam (SU-0025). This operation draws on the Bank's experience from these operations in order to provide the best possible support for INEC.
- 1.20 This is the first time the Bank is financing a second census operation in one of its countries in the region, and the principal lessons learned are: (i) to plan and prepare a census, programming must begin at least two years before the enumeration date; (ii) the questionnaire should be tested and the question skip pattern prepared far in advance; (iii) resources must be earmarked early in the process to update maps; and (iv) enumeration requires meticulous organization and strict quality control, among others, given the short execution period. Likewise, having learned from the experience in Guatemala, the operation provides for institution-building activities to begin one year before the census.
- 1.21 The program also builds on the experiences of other agencies. In the late 90s, Nicaragua joined the Program for the Improvement of Surveys and the Measurement of Living Conditions in Latin America and the Caribbean (MECOVI), supported by the World Bank, ECLAC, and the Bank. This operation has been coordinated with parallel operations being executed in Nicaragua by donor agencies such as the World Bank, the United Nations Fund for Population Activities (UNFPA), and United Nations Development Programme (UNDP). Support is also being worked out with the United States Bureau of the Census and the Latin American and Caribbean Demographic Centre (CELADE).
- 1.22 Lastly, it should be noted the Bank helped organize two conferences on census participation, "Todos Contamos" I and II by ethnic groups. The first was held in Colombia, in November 2000, the second two years later in Peru, with representatives of indigenous peoples, afro-descendent population groups, and the National Statistics and Census Institutes of all Latin American countries. The recommendations emanating from these conferences were taken into account in shaping this program. One of the most tangible outcomes has been inclusion of

questions on ethnicity in the last round of censuses in most countries of the region, to collect data broken down by ethnic group.

E. Program strategy

- 1.23 This program aims to reduce INEC institutional weaknesses so that it may fulfill its role as NSS lead agency to support the State modernization process, provide crucial information for the public and private sectors, and support social program development and monitoring, all of which will help improve the quality of government decisions concerning the impact of public resources.
- 1.24 Assistance for Nicaragua, in terms of both putting into effect the modernization process and providing funding, is being closely coordinated with multilateral and bilateral agencies and the government of Nicaragua. In addition, this operation will provide continuity for the MECOVI Program achievements.

II. THE PROGRAM

A. Objectives

- 2.1 The general objective of the operation is to help improve the design, execution, and evaluation of economic and social development programs in Nicaragua. With the program results, it will be possible to observe a number of variables for constructing a poverty and human development index broken down by gender, ethnic group and minority, with their relevant indicators, and for decentralizing decision-making. It is from this perspective that funds will be provided for the GNI to execute this program.
- 2.2 The program's specific objectives are: (i) to support the administrative and institutional strengthening of INEC; (ii) to finance the census processing and analysis expenditures; and (iii) to finance a social marketing program promoting citizen and civil society participation in the census taking process, and instilling a statistics culture in Nicaragua.

B. Description

- 2.3 The program consists of three components: (i) INEC institutional strengthening; (ii) Population and Housing Census; and (iii) social communications campaign.

1. First component: INEC institutional strengthening (US\$2,871,500)

- 2.4 INEC is the executing agency for this component consisting of two types of activities:

a. Future development studies (US\$100,000)

- 2.5 These studies aim to improve INEC's organization and strategic management. Actions will be based on demand for data to formulate, implement, and monitor the poverty reduction strategy, and to review and update the legal framework with a view to achieving greater autonomy and diversification of the labor regime.

b. Training INEC human resources (US\$150,000)

- 2.6 To improve the INEC staff capacity to analyze and manage census and survey data, USCENSUS will conduct workshops of two-weeks duration in the following areas:
 - a. **Sampling workshop:** Sampling personnel will be shown how to design demographic and socioeconomic surveys.
 - b. **Data analysis:** INEC personnel will be trained in analyzing census and survey data using SPSS software, and preparing graphs and statistical reports. The

CSPRO/IMPS software, developed and distributed free of charge by the US Census Bureau, will be used for processing census and survey data.

- c. **Quality control workshop:** INEC staff will learn how to understand and apply the sophisticated statistical quality control process.
 - d. **Data screening and validating workshop:** This workshop will teach staff how to screen census and survey data as a prelude to publication of the results.
 - e. **Demographic analysis workshop:** A workshop to train people in the application of the PAS (Population Analysis Spreadsheets) demographic analysis package to obtain demographic indicators using data from the most recent and past censuses. These indicators are used to evaluate the age and sex structure in order to develop national projections for the different cohorts based on the RUP (Rural-Urban Projection Program) software produced by the United States Bureau of the Census.
 - f. **Subnational projections:** Participants will learn how to obtain subnational projections at the departmental level.
- 2.7 In the period 1998-2002, as part of the MECOVI program, the INEC conducted household surveys to measure living, demographic, and health conditions, rural electrification, and informal social safety networks for the population.

c. Household survey program (US\$2,081,500)

- 2.8 Under this subcomponent, strengthening the institutional framework of the integrated household survey system will focus on assuring continuity for activities that serve to produce timely and reliable information on the general living conditions of the population, ethnic groups and disabled persons, in addition to employment and expenses. This will encourage use of survey results by public and private sector users, in a stronger institutional setting that guarantees continuity.

2. Second component: Population and Housing Census (US\$10,016,000)

- 2.9 The Eighth Population and the Fourth Housing Census includes the following activities:
- a. **Precensus phase (US\$6,036,000):** planning the census taking phases, to conduct the pilot census, update maps, and train personnel who will be involved in the census operation. Census activities: enumeration on the scheduled date. Postcensus activities: data processing, evaluation and analysis, publication and dissemination.
 - b. **Enumeration (US\$3,450,000):** Enumeration is the central activity of a census and must be conducted simultaneously throughout the country. This means that

on the census taking days, sufficient material, financial, and trained human resources must be available to gather the information from all the country's inhabitants. This exercise will put to the test the quality of the precensus planning stage. To ensure the success of the enumeration or information gathering, the following components will be financed: (i) **the enumeration itself**, to be conducted over fifteen days in urban and rural populated areas, and remote areas; (ii) **the use of guides and translators for the various ethnic groups** to obtain more reliable data on each ethnic group in the country; (iii) **trainer training** to minimize errors in the census taking exercise; and (iv) **urban and rural sector chiefs** to assure strict supervision at the census sector level, and maintain a high level of quality control. A strict data flow control procedure will be put in place to minimize the risk of altering the collected data.

c. **Post enumeration phase (US\$530,000):** this phase comprises activities related to data processing, analysis, and dissemination, and updating pre-census data, grouped under the following components:

- (i) **Census editors and supervisors.** Once the data has been gathered, certain census entries need to be coded before posting the data (occupation, industry, etc.). This process demands thorough training and intense supervision to ensure that all editors learn and use the same coding criteria.
- (ii) **Data entry staff and supervisors.** As the coding progresses, the questionnaires move to a manual editing process followed by electronic data entry. Data are then stored in a database that will be used for tabulation purposes after data entry. There will be two daily shifts of 80 entry staff each.
- (iii) **Equipment: server and computers.** The project provides funds to procure a server that will connect data entry computers to a network in order to compile all shift worker data entries. It will also provide for procurement of backup computers for use should a data entry unit fail. This will ensure continuous and uninterrupted data entry.
- (iv) **Publication.** Funding is provided to cover publication of census results.
- (v) **Contingencies.** Funds have been earmarked to cover any contingencies.

3. Third component: Social communications campaign (US\$700,000)

- 2.10 The objective of this component is to conduct an awareness-raising and training campaign targeting several sectors, in particular ethnic minorities and

afro-descendent population groups, in order to collect, analyze, disseminate, and publish reliable statistics on the status of traditionally excluded groups and individuals. Funding will be provided for a social marketing program to promote participation by citizens and civil society in the census taking exercise.

- 2.11 The program will be carried out in two phases. The first consists in developing a methodology to involve groups traditionally uncounted during a census, either because of their ethnicity, poverty or geographic isolation. Data collected will serve to formulate policies for their social and economic inclusion in the country's sustained development. The objective is to educate excluded groups about the importance of their input in the preparation of questions for the census questionnaire. The second phase consists in disseminating the census results among the population in general, and ethnic groups and afro-descendent population groups in particular, through the mass media, with the exception of geographically remote areas where grass roots organizations are needed to furnish the necessary information. The outputs will help formulate disease prevention and control, health and education projects that take account of ethnic diversity.
- 2.12 The following activities will be carried out: (i) develop participation strategies to verify all census process stages, and use the data to design social policies, programs and projects, and to promote the creation and adoption of the social audit concept; (ii) conduct three awareness-raising workshops at the central level, targeting journalists, members of congress and members of the social cabinet (50 participants per workshop), and fifteen workshops at the departmental level targeting indigenous people, civil society, the private sector and peasants (60-70 participants per workshop); and (iii) a marketing campaign to promote media participation in the census exercise.

C. Program cost

- 2.13 The program's financial execution profile demands rapid and substantial disbursements at the outset to meet the census execution schedule. For this reason, and given the interdependence of census activities that will peak in year one of the enumeration process,² the program will be coordinated with other donor agencies to ensure that the necessary resources are available to start the precensus activities. Funds have now been committed from the following sources: Japan (US\$2.85 million), the UNDP, the UNFPA, the DFID and the World Bank, US\$500,000 each, SIDA (US\$600,000), Canada (US\$1 million).

² A census is a complex operation comprising numerous preparatory activities to ensure that, on the planned enumeration day, all census staff and census forms are at exactly the right place for the activities to be carried out as planned. The census is a massive operation for any country, requiring the mobilization of vast numbers of people, large quantities of material (questionnaires), and logistical support. This means that all census preparatory activities must be carefully planned. Furthermore, once data has been obtained for each person and household, the data must be processed to obtain not only current data, but also demographic, social, educational, and economic trends, among others.

CONSOLIDATED BUDGET BY COMPONENT TOTAL (US\$ 000s)					
Category	Bank	Other Donors	GNI	Total	%
INEC institutional strengthening					
Studies	100,000			100,000	
Staff training and development	150,000			150,000	
Household surveys	1,581,115	500,000		2,081,500	
Processing equipment	240,000			240,000	
Transportation		200,000		200,000	
Building remodeling		100,000		100,000	
Subtotal	2,071,115	800,000		2,871,115	18
Population and housing census					
Precensus activities	1,550,000	3,469,000	1,000,000	6,019,625	43
Mapping update		2,850,000		2,850,000	
Census structure			936,000	936,000	
Technical assistance		450,000		450,000	
Training	496,000			496,000	
Reproduction of census material	711,000	169,000		880,000	
Experimental census			64,000	64,000	
Logistics (packing, shipping, communications)	160,000			160,000	
Publicity	183,625			183,625	
Census taking	1,820,000	1,630,000		3,450,000	25
Enumeration	1,470,000	1,630,000		3,100,000	
Publicity	350,000			350,000	
Post census activities	100,000	430,000		530,000	
Classifying, editing, coding		110,000		110,000	
Processing		170,000		170,000	
Publicity		100,000		100,000	
Publication and dissemination of results	100,000			100,000	
Other expenses		50,000		50,000	
Subtotal	3,487,000	5,529,000	1,000,000	10,016,000	72
Social marketing					
Develop participatory strategies	45,000	45,000		90,000	
Training and awareness-raising workshops	155,000	195,000		350,000	
Marketing and promotion campaign	100,000	100,000		210,000	
Teaching material, development and production		50,000		50,000	
Subtotal	310,000	390,000		700,000	5
Other					
Audit	30,000			30,000	
Evaluations	60,000			60,000	
Administrative expenses	162,000			162,000	
Subtotal	252,000			252,000	1
Financial costs					
Inspection and supervision	65,500			65,500	
Interest	258,760			258,760	
Credit fee		25,000		25,000	
Subtotal	324,260	25,000		349,260	
Contingencies	122,000			122,000	
Total	6,550,000	6,744,000	1,000,000	14,294,000	

III. PROGRAM EXECUTION

A. Borrower and executing agency

- 3.1 The Republic of Nicaragua will be the borrower, and it will also be responsible for assigning the local counterpart resources in a timely manner. The National Statistics and Census Institute (INEC) will be the program executing agency, working through the Census Executing Unit (EU), which will be responsible for program execution and general coordination.

B. Executing agency

1. National Statistics and Census Institute (INEC)

- 3.2 INEC is a technical entity with legal status and its own equity, created by Decree Law 102 issued on 3 October 1979. The institute's purpose is to coordinate the National Statistics System, ensuring that official statistics activities are conducted in an integrated, coordinated, rationalized manner, using common standards. In pursuing these objectives, INEC: (i) formulates and executes the National Statistics Plan in coordination with the statistics units and offices that make up the system; (ii) organizes national and agricultural census taking; (iii) executes or coordinates data production; (iv) rules on the methods, procedures, and techniques used by the system bodies to ensure national and international data compatibility and comparability; (v) executes or coordinates production of basic statistics to prepare national, monetary, and fiscal accounts systems, and production, employment, wage, and price indices; (vi) conducts research; (vii) consolidates and disseminates available statistical data; and (viii) provides fee-based services.

2. Executing unit

- 3.3 Notwithstanding the responsibilities accorded to INEC under the abovementioned Decree Law for population and housing census taking, the institution will be assisted by an Executing Unit created for this purpose.
- 3.4 The Executing Unit will consist of a General Coordinator, a Technical Advisory body, and Operations, Finance, and Administrative Departments with their respective divisions. It will also be assisted by the National Census Commission made up of senior government authorities, and national, departmental and municipal technical committees.
- 3.5 As conditions precedent to the first disbursement: **(i) the executing agency must demonstrate to the Bank's satisfaction, that it has signed a subsidiary agreement with the borrower, establishing the terms and conditions for transfer of the financing and local counterpart resources, and (ii) the executing agency will sign an agreement with USCENSUS to conduct the training and**

development workshops, and establish a quality control monitoring and supervision mechanism for the census and for the technical staff in charge of preparing, coordinating, and implementing the Pilot Census and Census 2005.

- 3.6 INEC will be responsible for preparing and executing the Census 2005, and also for executing the Bank's program. As agencies responsible for execution, the INEC and the executing unit will submit to the Bank the reports listed in the following section, select and hire consultants, and arrange for procurement of the goods and services necessary for program execution.
- 3.7 The census-related tasks will be carried out at two levels within the executing unit: (a) the central level, whose duties include designing the census form or information gathering instrument, setting the standards and procedures governing the census exercise, planning and scheduling budgetary allocations, supervising and assuring general coordination. It will also process the census data, deliver data to the national government through INEC and, in coordination with INEC, set the guidelines for data distribution at other government levels; and (b) the specially created decentralized organs to carry out the field work in general, recruit and train the necessary human resources, conduct training in the use of data processing applications (IMPS for the database, CONCOR for data inconsistencies, CENTS or CROSSTAB for tabulations), and optimize data use. INEC will, however, remain in charge of census data dissemination, and delivery to departmental and municipal governments, and other local entities.
- 3.8 The operational structure for the primary census operation or enumeration requires some 20,000 persons to be recruited, trained, and distributed according to the territorial division used in the census exercise: (i) Departmental Coordinators (18, for six consecutive months); (ii) Municipal Coordinators (152, for 3.5 consecutive months); (iii) Area Chiefs (470 for 1.5 consecutive months); (iv) Auxillary Instructors (420, for 15 days); (v) Sector Chiefs (4,670, for six days in urban areas and nine days in rural areas); and (vi) Enumerators (14,000 for an average of five days for urban segments, and eight days for rural sectors). The hiring and training process is under way for the first category (18 departmental coordinators), and the remaining personnel are being identified. Only their training remains to be done. Selection of staff for the various categories will be based on widely publicized calls for candidates, with competitive selection delegated to local agencies where appropriate. The applicable procedures will be described in the Administrative Procedures Manual, an integral part of the operation technical files.
- 3.9 The executing unit, assisted by an international advisor specializing in procurement of goods and services, will implement a suitable accounting and administrative control system for program resources. The accounting system will need to be organized in such a way as to provide the necessary documentation to verify financial transactions, and facilitate timely preparation of financial statements and reports. Program records must be maintained in such a way as to: (a) identify

amounts received from all sources; (b) record, in accordance with the chart of accounts previously approved by the Bank, program expenses paid with loan proceeds and with other funds provided for program execution; (c) include the necessary details identifying goods and services procured, and how such goods and services were used; and (d) provide evidence of the cost of activities under each expense category.

C. Implementation strategy and census organization

- 3.10 Census information is a valuable input for many specific surveys conducted at shorter intervals and often systematically (characterizing the Sampling Universe) and, in general, many aspects of the economy, politics, social development, research, and academic activities. Therefore, the census strategy and design must include and reflect the demands of a number of relevant sectors. With this in mind, the executing unit developed a number of activities to sound out the requirements and views of as many stakeholders as possible, whether government agencies or civil society entities, such as employers and business organizations, professional associations, academic institutions, and NGOs, that are especially important to the design of the census questionnaire and the subsequent usefulness of the information collected. Another important factor is the need for this census data to be consistent with data collected in the 1988 Census, so that series may be developed for comparison with international data, and to facilitate data analysis and describe demographic, social and economic trends.
- 3.11 Efforts have done more than focus on encouraging interested sectors and organizations to participate jointly in the pre-enumeration phases of Census 2005. The executing unit will also mobilize and encourage municipal governments to actively support the census exercise in their territories through departmental and local technical committees to serve as driving forces behind the census.

D. Program execution and administration

- 3.12 The executing agency will be in charge of overall program supervision, assuring compliance with its objectives and goals as planned. INEC will assure observance of the standards and conditions established in the loan agreement for each program component. The institute will establish a program coordination and monitoring task force headed by a General Coordinator, charged with compiling and submitting the technical, legal and administrative information needed for disbursing program resources.

E. Monitoring, reports, evaluation and audit

- 3.13 INEC will submit two reports to the Bank: a midterm report prepared immediately following enumeration, and a final evaluation report. The first report will include, among other aspects, information on: (i) activities carried out; (ii) outcomes;

(iii) problems; and (iv) solutions adopted, based on the logical framework indicators previously agreed between the executing agency and the Bank. Since the second report is a final evaluation, all the logical framework indicators will be examined in accordance with the terms of reference agreed upon by the borrower and the Bank. This report will also serve as basis for the “Project Completion Report” (PCR), which will include lessons learned and program impact. The Bank will use these reports to monitor program execution.

- 3.14 During program execution and until the final report is approved, the borrower will present the program’s audited annual financial statements, within 120 days after the close of each fiscal year. These financial statements will be audited by an independent firm of public accountants acceptable to the Bank, and their cost will be paid for from the loan proceeds. Regardless of the obligation to present the financial statements as noted above, the borrower, acting through the executing agency, will present to the Bank within 60 days after the end of each calendar six-month period, the results of a concurrent audit of payments made during program execution. This audit will be conducted by an independent firm of public accountants in accordance with the terms previously agreed upon with the Bank. This report will include, among other things, the findings of the review of disbursements and procurement with program resources, and the review of adherence to all program Regulations for the Census 2005 support services contracts.

F. Procurement and disbursements

- 3.15 Procurement will be carried out in accordance with Bank procedures and policies. An international call for proposals (ICP) will be required for consulting services valued at more than US\$200,000, and international competitive bidding (ICB) for the procurement of goods over US\$250,000. Procurement costing less than US\$10,000 will require estimates and a comparative table of at least three proposals. Likewise, it is recommended that procurements of goods valued at less than US\$2,000 will require only documents evidencing the purchase.

- 3.16 Given the special nature of the census involving a broad range of specific activities, a large number of consultants and support staff with a variety of relevant specializations and skills will be required. Specifically, loan proceeds will be used to contract all kinds of

Table: Census tasks support services	
Type of task	Number
1. Departmental coordinators	18
2. Municipal coordinators	152
3. Heads of Zone	470
4. Assistant instructors	420
5. Sector chiefs	4,670
6. Census takers	14,000
7. Other	324
Total	20,054

support staff for different periods of employment as shown in the table, to carry out many census duties during the enumeration and post-enumeration phases. Because of the modest unit cost of the support staff, their low level of specialization, the

many kinds of services required, and the fact they must be trained for program execution, the terms and conditions for massive contracting provide an expeditious selection and contracting system that takes these needs into account while at the same time ensuring that basic principles of competition and transparency in Bank-funded contracting are observed. The features of the proposed mechanism are: (i) a widely publicized call for candidates for all support-service contracts; (ii) the conditions that the applicants must meet (selection criteria, wages, method of payment, and period of employment); (iii) a simple model contract that is satisfactory to the Bank; and (iv) the generic job description for each of the categories of services expressly eligible for use of this procedure. This will ensure that selection for such contracts will be governed by Annex C of the loan agreement and amendments thereto.

- 3.17 Given the large number of consulting services required for the program, and to expedite execution and facilitate Country Office supervision work, it is recommended that the requirement of prior consultation with the Bank apply only to consulting services selection and contracting, or procurement of goods, valued at more than US\$20,000. Should the ex post verification show that procurement was conducted in a manner unacceptable to the Bank, the Bank reserves the right to refuse providing financing for such procurement.
- 3.18 A revolving fund will be established through a bank account for program disbursements. Because of the magnitude of procurement to be made following an exacting schedule, and to ensure that sufficient funds are available during program execution but especially during enumeration, the Government of Nicaragua has requested that this fund be established with up to 5% of the Bank's contribution. These proceeds will be kept in a separate bank account in the program's name. Semiannual reports on the status of the revolving fund must be submitted within 60 days after the end of each six-month period ending in June and December.
- 3.19 The project team recommends the loan contract include a retroactive recognition of expenses clause to cover any costs incurred in connection with the operation before the operation is approved to train instructors and Sector Chiefs for urban and rural areas in accordance with the terms and conditions of the financing.

G. Execution and disbursement schedule

- 3.20 The project will be executed in 36 months and disbursements will be made over 42 months following compliance with the conditions precedent established in the loan agreement.

Schedule of principal program activities

Components and activities	2004	2005	2006
1. Population and housing census			
Precensus activities	XXXXXXXXXXXXXX	XXXX	
Enumeration		XXX	
Post-enumeration activities		XXXXXXX	XXXXX
2. INEC institutional strengthening			
Studies			XXXXXXXXXXXXXX
Personnel training and development	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Household surveys	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
3. Social marketing			
Develop participatory strategies	XXXXXXXXXXXXXX	XXXX	
Training and awareness-raising workshops	XXXXXX	XXXX	
Marketing and promotion campaign	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXX
Teaching, development, and production materials	XXXXXXXXXXXXXX	XXXX	

IV. FEASIBILITY, BENEFITS AND RISKS

A. Institutional and financial feasibility of the program

- 4.1 The government assigned high priority to the census to be conducted in April 2005, establishing the legal and organizational bases, and allocating resources for its execution. The program executing unit not only has the authority conferred upon it by the Law to execute Census 2005, but also the technical and operational capacity to be successful in this endeavor. This capacity is substantiated by the experience gained through regular statistical activities, including the recent 1988 National Population and Housing Census that provided valuable data for State reforms, and by the entity's human resources.
- 4.2 Development and advances in scientific and technical activities, and the need to retain some degree of international comparability induced statistics agencies in many countries to work towards standardizing statistical methods and instruments including those used in enumeration operations. Nicaragua participated actively in international meetings and conferences, especially with Latin American countries, including the countries of Central America, Panama, and the Dominican Republic. Several workshops were held to address methodological compatibility and to share experiences, resulting in key agreements to facilitate exchanges of census information.
- 4.3 From the financial perspective, [Census 2005 has until now had sufficient resources to conduct the planned activities without interruption]. Donors are estimated to have committed the following amounts to complement the Bank's loan: Japan US\$2.85 million, the UNDP, UNFPA, DFID and the World Bank, US\$500,000 each, SIDA US\$600,000, and Canada US\$1 million. With the loan proceeds, the Government of Nicaragua will have sufficient and timely funds to adhere to the planned execution schedule.
- 4.4 The GNI will gradually increase its share of the financial burden for INEC activities as external financing is steadily pared back, essentially in the area of primary data collection (surveys), which require financing incremental expenses since INEC is a young institution. To this end, the GNI is committed to gradually increasing INEC's annual budget, beginning in year two of project execution through the year following completion.
- 4.5 These appropriations will be recorded as INEC General Budget and the National Budget line items, not as counterpart funds contractually committed as part of this operation, so as to lower the risk of a budget reduction following project completion. The loan agreement will therefore reflect the government's commitment to making the corresponding budgetary appropriations.

B. Environmental and social impact

- 4.6 The program was reviewed by the Committee on Environment and Social Impact (CESI) on 30 March 2001. No negative environmental or social effects are anticipated from program execution. On the contrary, based on the collected and processed census data, it may be easier to identify the areas of poverty and localities in greatest need of public services of all kinds or where demand is highest.
- 4.7 This operation does not qualify as a social equity enhancing project, nor as a poverty-targeted investment as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704).

C. Benefits

- 4.8 The program's beneficiaries are varied since the census data will be used for different purposes, by public and private institutions as well as domestic and international ones. The program will also benefit the Nicaraguan population in general, since it will help formulate and implement development policies, strategies, plans, and programs. For smaller geographic units such as departmental sections (municipalities), and smaller divisions, the census is practically the only source of statistical research, inasmuch as survey results are not statistically reliable at those levels and the administrative records refer only to the supply of services in such areas as health and education.
- 4.9 Originally, population censuses were intended to count a country's inhabitants. Today, however, they have become a major source of background information on economic and social development, employment, migration, housing, education, public health, social wellbeing, and many other issues of import for public and private sector decision-makers. The data produced will provide input for social and demographic analysis relating, among other things, to gaps between geographic areas and social groups in matters of poverty and equal opportunity, or gender issues, and the development of indigenous and native peoples, their organization, territory, culture, production, etc.
- 4.10 In the specific case of Nicaragua, data on the population's territorial, age, and gender distribution will be used to estimate the potential voting population for general and municipal elections. Population and Housing Census data are useful in developing projections on population, school enrolment, future housing needs, growth of the economically active population, and health service needs.
- 4.11 Some issues go beyond the strictly academic sphere, falling more into the realm of practical problems for local, industrial, and commercial development and administration. The most noteworthy are the changes in population distribution between urban and rural areas, urban sprawl, geographic distribution of the

population by occupation or education, trends in age, mortality, fertility and migration.

- 4.12 The Census 2005 project will not only generate statistical data, but also statistical mapping. The two together will establish a framework for future sampling surveys, while also providing data to develop a geographic information system (GIS). Moreover, the mapping update will make it possible to georeference communities and large populated areas, draw up an inventory of health, education, and sports establishments, and to identify key characteristics of communities in terms of accessibility, authorities, service availability, and historical, archeological, and natural sites.

D. Risks

- 4.13 The Census requires strict adherence to the activities schedule because of the nature of the operation which must be conducted at a given moment for the entire country. It is essential to carry out each planned activity identified as a pre-requisite for subsequent activities, and the schedule may not be altered without seriously jeopardizing the success of the enumeration. The Government of Nicaragua has assigned high priority to Census 2005, and the technical weaknesses have been overcome with support from the international community.
- 4.14 Program design credits the existence of a well structured schedule of activities, successfully observed since the outset. Given its interest in conducting Census 2005, the government has smoothed the way for all related operations. Furthermore, there is adequate liquidity to ensure that planned resources, such as Bank and government contributions, are made available on a timely basis for census execution, and the procurement plan has been designed to find solutions to problems that may arise given the massive and sometimes urgent recruitment needs.
- 4.15 A major risk is the possible scarcity of supervisory capacity at the department and district levels. Since the human resources involved in census activities primarily consist of enumerators and municipal district chiefs, supervision will be reinforced through awareness-raising campaigns to promote citizen participation, especially among ethnic groups and afro-descendent population groups. In addition, the geographic criterion adopted to assign census personnel will be the place of residence not the education district where the person studies or works. This measure will reduce the risk of absenteeism, and facilitate operation control and logistics.
- 4.16 The INEC has developed a procurement and contracting plan tailored to the substantial needs of this particular project, which may often be quite pressing. In addition, the institute will sign an agreement with the U.S. Bureau of the Census (USCENSUS) to establish a quality control monitoring mechanism for the census and for the technical staff in charge of preparing, coordinating, and implementing the Pilot Census and the Census 2005 enumeration.

LOGICAL FRAMEWORK
STRENGTHENING THE NATIONAL STATISTICS SYSTEM AND NATIONAL POPULATION AND HOUSING CENSUS 2005 (NI-0180)

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL Help improve the design, execution, and evaluation of economic and social development programs in Nicaragua.	National Development Plan based on census statistics. Projects financed with external funds use census-based indicators.	Copy of the National Development Plan. Logical frameworks and PPMR for externally financed projects.	
PURPOSE (Objectives by component)			
Up to date, efficient, and effective National Statistics and Census Institute	20% more web site visits by 2006 (14,556 visits since July 2002).	Web site.	
INEC institutional strengthening	HR performance evaluation system implemented. Percentage of trained technical staff.	Annual performance evaluation.	PRS continuously updated.
Population and Housing Census	Allocation of incremental budget resources. Pilot Census executed in April 2004. Enumeration conducted using international quality standards.	Budget resources allocated for years 1, 2, 3, 4, 5 and following. Training (INEC evaluation) Mapping (certification by external entity). USCENSUS certification	
Social communications campaign	100% of ethnic groups and afro-descendent population groups.	Comparison with the percentage shown in the pilot census.	
COMPONENTS (Expected results by component)			
INEC up to date, able to produce reliable and timely information to meet internal demand.	Strategic plan in place by project completion. 60% of technical staff trained in all technical areas, and 30% of administrative staff trained in procedures and data processing by project completion. Human resources policy standards and criteria plan in effect at project completion. The following data is available on a timely basis and with the requisite quality: Population projections (March 2003); indigenous peoples (March 2003); women (March 2003); electoral demography (March 2003); fertility (March 2003); mortality (March 2003); and housing shortage (March 2003).	Strategic plan published Exams passed with a minimum of 80% Standards and criteria plan published. Technical reports	Enabling legislation for law creating INEC. <

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>Training and development of studies</p> <p>Improve the Integrated Home Survey System (SIEH)</p>	<p>Number of surveys conducted and databases prepared. Baseline of the poverty reduction strategy (2004-2006).</p> <p>Short-term indicators on employment and income; living conditions, etc. (2004-2006).</p>	<p>Project monitoring reports. New bases; housing sample up to date, published methodologies.</p> <p>Quarterly, semiannual, and annual reports.</p>	
<p>COMPONENT: CENSUS Conduct 8th National Population Census and 4th Housing Census.</p> <p>Recruit and train staff.</p>	<p>Census data for 5.5 million persons and housing numbers published in January 2006.</p> <p>Poverty map updated by year-end 2005.</p> <p>18 departmental coordinators; 152 municipal coordinators; 470 zone chiefs; 420 auxiliary instructors; 4,670 sector chiefs; 14,000 enumerators; and 328 other staff.</p>	<p>Official gazette.</p> <p>Publication of poverty map</p> <p>Some 20,000 people involved. Staff list based on duties, training courses.</p>	<p>Citizens and civil society willing to take part in census.</p> <p>Flexibility to change enumeration date.</p>
<p>Social communications</p> <p>Increased citizen and civil society organization participation in population data collection processes.</p>	<p>8 workshops with ethnic groups and civil society organizations (60-70 persons per workshop) to validate census form by year-end 2004.</p> <p>7 workshops to promote ethnic group participation (60-70 persons per workshop) by year-end 2004.</p> <p>1 workshop for journalists (50 persons in total) by year-end 2004.</p> <p>1 workshop for 50 members of Congress by year-end 2004.</p> <p>1 workshop 50 members of Social Cabinet.</p> <p>Greater representation of indigenous people and minorities in the political process.</p>	<p>Minutes of workshop results with list of participants that completed workshop.</p> <p>Number of people who undertake to promote ethnic group participation.</p> <p>Minutes of workshop results with list of participants and number of articles printed in the six months following the workshop.</p> <p>Minutes of workshop results with list of participants.</p> <p>Minutes of workshop results with list of participants.</p>	<p>Potential demand for workshops.</p> <p>Population understands the need for statistical data use and for census taking.</p>

PROGRAM DISBURSEMENT SCHEDULE
STRENGTHENING THE NATIONAL STATISTICS SYSTEM AND NATIONAL POPULATION AND HOUSING CENSUS 2005 (NI-0180)

	2004				2005				2006			
ITEM	IDB	OTHER SOURCES	GON	SUBTOTAL	IDB	OTHER SOURCES	GON	SUBTOTAL	IDB	OTHER SOURCES	GON	SUBTOTAL
1. INSTITUCIONAL STRENGTHENING OF INEC												
Studies	100,000			100,000								
Staff training and development	150,000			150,000								
Household surveys	527,167			527,167	527,167	500,000		1,027,167	527,167			527,167
Processing equipment	240,00			240,000								
Building renovations		100,000		100,000								
Subtotal	1,017,167	100,000		1,117,167	527,167	500,000		1,027,167	577,167			577,167
2. POPULATION AND HOUSING CENSUS												
Precensus activities	1,567,000	3,469,000	438,400	5,474,400	460,000	150,000	374,400	984,400				
Census					1,820,000	1,630,000		3,450,000				
Postcensus activities					64,000	280,000		344,000	70,000	100,000	137,200	307,200
Subtotal	1,567,000	3,469,000	438,400	5,474,400	2,344,000	2,060,000	674,400	4,778,400	70,000	100,000	137,200	307,200
3. SOCIAL MARKETING												
Participatory development strategies		45,000	45,000	90,000								
Training and awareness-building workshops		155,000		155,000		195,000		195,000				
Marketing and promotion campaign		55,000	50,000	105,000	55,000	50,000		105,000				
Teaching materials, development, and production			50,000	50,000								
Subtotal		255,000	145,000	400,000	55,000	245,000		300,000				
Total General	2,584,167	3,824,000	583,400	6,991,567	2,399,000	2,805,000	374,400	6,105,567	647,167	100,000	137,200	884,376